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The situation in the Middle East

Question of Palestine

Security Council
Sixty-third year

Peaceful settlement of the question of Palestine

Report of the Secretary-General

Summary

The present report is submitted in accordance with General Assembly resolution 62/83 of 10 December 2007. It contains replies received from the President of the Security Council and the concerned parties to the notes verbales sent by the Secretary-General pursuant to the request contained in paragraph 20 of the resolution. The report also contains the observations of the Secretary-General on the current state of the Israeli-Palestinian conflict and on international efforts to move the peace process forward with a view to achieving a peaceful settlement. The report covers the period from September 2007 through August 2008.

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I. Introduction

1. The present report is submitted pursuant to General Assembly resolution 62/83 of 10 December 2007.

2. On 1 June 2008, pursuant to the request contained in paragraph 20 of the above-mentioned resolution, I addressed the following letter to the President of the Security Council:

> "I have the honour to refer to resolution 62/83, which the General Assembly adopted on 10 December 2007, at its sixty-second session, under the agenda item 'Question of Palestine'.
>
> "In order to fulfil my reporting responsibilities under this resolution, I should be grateful if you would kindly convey to me the views of the Security Council by 30 June 2008."

3. On 1 July 2008 the following reply was received from the Security Council:

> "The goal of achieving a peaceful settlement of the question of Palestine remains one of the major challenges facing the international community, including the Security Council.
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> "The Security Council considers the situation in Palestine each month under an agenda item entitled 'The situation in the Middle East, including the question of Palestine', with general presentations in the form of briefings by either the Under-Secretary-General for Political Affairs or the Special Coordinator for the Middle East Peace Process, followed by an open meeting of the Council or by consultations among the Council members.
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> "On 29 August 2007, the Security Council held an open debate on the situation in the Middle East after hearing a briefing by the Special Coordinator for the Middle East Peace Process, Michael Williams, on recent diplomatic efforts and the United States-sponsored international meeting to be held in the fall.
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> "On 20 September 2007, Council members heard a presentation by Lynn Pascoe, Under-Secretary-General for Political Affairs. The briefing was followed by consultations on the situation in the Middle East, during which Member States discussed ongoing bilateral dialogue between Ehud Olmert, the Prime Minister of Israel, and Mahmoud Abbas, President of the Palestinian Authority. Members also discussed the current trip to the Middle East of Condoleezza Rice, Secretary of State of the United States, and Israel's characterization of the Gaza Strip as an 'enemy entity'.
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> "On 24 October 2007, Under-Secretary-General Pascoe delivered the monthly briefing on the situation in the Middle East, expressing optimism about the level of dialogue between the parties on the Israeli-Palestinian track while also expressing concern about the situation on the ground. In the closed consultations that followed, Council members welcomed the upcoming United States-sponsored Middle East meeting in Annapolis and the ongoing efforts of Secretary Rice. The Council also discussed regional efforts to promote peace and the humanitarian situation in Gaza.

"On 29 and 30 November 2007, the Security Council held closed consultations on the Middle East peace process, specifically addressing the joint understanding that had been reached at the Annapolis conference. On 30 November, the Council also held an open session, during which Council members were briefed by Under-Secretary-General Pascoe on the Annapolis process, efforts of the Quartet, and the upcoming Paris donors' conference.

"On 21 December 2007, a presentation by Under-Secretary-General Pascoe was followed by consultations on the Middle East. The Under-Secretary-General remarked on the latest developments in the peace process, stressing that, since the Annapolis conference, bilateral negotiations between Israel and the Palestine Liberation Organization had commenced and that strong international engagement had been reflected in a donors' conference, a Quartet meeting and a meeting between the Quartet and members of the League of Arab States, all held in Paris on 17 December. At the same time, he stated that developments on the ground, including new settlement activity and ongoing violence, had been a cause of concern.

"On 22 January 2008, Council members held a debate on the situation in Gaza after public statements were delivered by Under-Secretary-General Pascoe about the 18 January closure of the Gaza Strip. The Under-Secretary-General briefed the Council on the latest regional developments, stressing the deterioration in the humanitarian situation in Gaza and southern Israel.

"On 23, 24, 25 and 29 January 2008, the Council met for consultations on the situation in Gaza.

"On 30 January 2008, following an update on the humanitarian and economic situation by Under-Secretary-General Pascoe, the Security Council met for an open debate on the situation in Gaza. Council members expressed concern about the situation in Gaza and southern Israel and its humanitarian repercussions.

"On 26 February 2008, Robert Serry, Special Coordinator for the Middle East Peace Process, and John Holmes, Under-Secretary-General for Humanitarian Affairs and Emergency Relief Coordinator, briefed the Council, providing detailed descriptions of the political, humanitarian, security and socio-economic situation in the Palestinian territories. Following the briefing, Council members met for closed consultations to discuss the impact of the situation on the ground on the Annapolis process.

"On 28 February 2008, the Council held consultations to continue the discussion of ongoing violence in Gaza and southern Israel.

"On 1 March 2008, the Secretary-General, Ban Ki-moon, addressed an emergency meeting of the Security Council to discuss the escalation of violence in Gaza and southern Israel. The Secretary-General condemned the violence and the excessive use of force and called on both sides to respect international humanitarian law, exercise restraint and restore order. He also expressed concern that the violence could have a negative impact on the negotiation process. The Council also heard from the Palestinian and Israeli delegations before holding closed consultations.

"On 6 March 2008, consultations were held on the situation in the Middle East.

"On 25 March 2008, the Secretary-General expressed alarm about the prospect of renewed violence in Gaza and southern Israel and beseeched the parties and international community to support the Israeli-Palestinian negotiations. Following the Secretary-General's remarks, Under-Secretary-General Pascoe delivered a briefing on recent developments, which was followed by an open debate focusing on the difficult situation on the ground, the role of the United Nations and the Security Council, settlement activity, Israeli military operations and rocket attacks.

"On 23 April 2008, the Security Council heard a presentation from Angela Kane, Assistant Secretary-General for Political Affairs, during which she spoke about efforts to advance the political process through direct bilateral negotiations, recent attacks in Gaza and southern Israel, the worsening humanitarian situation in Gaza and an upcoming Quartet meeting. Her remarks were followed by closed consultations.

"On 28 May 2008, the Council heard a presentation from Mr. Serry, the Special Coordinator for the Middle East Peace Process, who spoke about 'fragile' progress on the Israeli-Syrian and the Israeli-Palestinian tracks. In closed consultations, Council members discussed the Israeli closure of Gaza, rocket fire out of Gaza, Israeli military operations and the ongoing Annapolis process.

"On 27 June 2008, Lisa Buttenheim, Director of the Asia and Pacific Division of the Department of Political Affairs, briefed Council members about positive but fragile developments in the Middle East. She welcomed the recent truce between Israel and Hamas but noted with concern breaches of the ceasefire by both parties. She also spoke about the continuing closure of Gaza and the deteriorating humanitarian situation there, about concerns regarding Israeli settlement activity in the West Bank, and about the 24 June meeting of the Quartet. Ms. Buttenheim's briefing was followed by closed consultations.

"The Council continues to pay close attention to developments in the situation in the Middle East; the next meeting on this question is scheduled to be held on 22 July 2008."

4. In a note verbale dated 28 April 2008 to the parties concerned, I sought the positions of the Governments of Egypt, Israel, Jordan, Lebanon and the Syrian Arab Republic, as well as the Palestine Liberation Organization, regarding any steps taken by them to implement the relevant provisions of the resolution. As at 31 August 2008, replies had been received from Israel and the Palestine Liberation Organization. The note verbale dated 30 July 2008 from the Permanent Mission of Israel to the United Nations reads as follows:

"As the meeting records detail, Israel voted against this resolution, as it has done so on this and similar resolutions adopted by the General Assembly during previous sessions. In accordance with this voting practice, the Permanent Mission of Israel wishes to explain and reiterate its position in light of the realities on the ground.

"Despite major developments in the region, including the Annapolis process convened in November 2007, Palestinian terrorism continues with alarming intensity. Over the course of the last year, cities and villages in southern Israel suffered a significant increase in the number of rocket attacks fired by Palestinian terrorist organizations in the Gaza Strip. Over 3,000 Grad missiles, mortar shells and Qassam rockets have been fired at southern Israel since Hamas took over the area in June 2007. These rocket attacks have killed a number of Israelis and caused injury to countless civilians and extensive damage to properties.

"Data released by the Israel Trauma Centre for Victims of Terror and War during the last year show that 90 per cent of residents of the southern city of Sderot have experienced a Qassam rocket falling on their street or one adjacent to them. Some 28 per cent of adults and 30 per cent of children suffer from post-traumatic stress disorder, with children exhibiting extremely high levels of fear, avoidance behaviour, school, behavioural and somatic problems, regression and sleep deprivation.

"Moreover, Hamas's upgraded capabilities, which it received from the smuggling of weapons via tunnels along the southern border and during the breach of the border in January 2008, now place a quarter of a million Israeli civilians in constant danger.

"On Thursday, 18 June 2008, a 'state of calm' went into effect, with the explicit purpose of securing a complete cessation of terrorism and firing of rockets by all factions in the Gaza Strip, an end to Palestinian smuggling and military build-up, and progress in securing the release of the abducted soldier Gilad Shalit. Israel has made clear that if quiet and calm can be restored to the south, it will increase the amount and scope of goods that enter the Gaza Strip, which will improve the quality of life for the Palestinians. Only a few days later, rockets were again launched at southern Israel.

"Hamas, clearly, has no interest in long-term peace, reconciliation or mutual inhabitance with Israel. Any perceived lull is an opportunity for Hamas to rearm and strengthen itself.

"As noted, Hamas and other terrorist organizations in the Gaza Strip continue to build up their forces and arms by smuggling weapons across the southern border. Tunnels, burrowed deep beneath the ground, are used by terrorists to move weapons and other munitions. It is the backing and support of States like the Islamic Republic of Iran and the Syrian Arab Republic that enable the terrorist organizations to carry out acts of violence and terrorism against Israeli civilians. Hamas and its backers bear full responsibility for the violence and terrorism and the humanitarian conditions imposed on the Palestinians in Gaza. Hamas and other terrorist groups seek to take advantage of cooperative mechanisms between Israel and the Palestinians, be they border crossings or even the removal of security checkpoints. These violations demonstrate that Palestinian terrorism is still a major threat, requiring Israel to take measures in self-defence, and that Hamas is not interested in peace.

"While Palestinian terrorists do everything in their capacity to thwart humanitarian efforts and provoke Israeli reactions, Israel continues to ensure the steady and continuous flow of fuel and other supplies into the Gaza Strip to

meet the needs of the civilian population. The gasoline and diesel fuel transferred by Israel are meant primarily for ambulances, water pumps, the sewage system, public transportation, food trucks, garbage collection, food plants and generators at various institutions including schools, hospitals and clinics. Since June 2007, more than 600,000 tons have been transferred through the crossings. Israel continues its coordination activities on the ground, working through the appropriate channels to ensure the passage of aid and other materials.

"On 25 June 2008, the Israeli public marked the second anniversary of Corporal Gilad Shalit's abduction. A letter written by Corporal Shalit was recently forwarded to his parents by Hamas. However, the Red Cross or any other humanitarian agency has been denied permission to visit him and verify his condition.

"Israel remains committed to the bilateral process with the moderate, legitimate Palestinian Authority leadership that embraces its responsibilities and the vision of two States living side-by-side in peace and security. In the past months a number of meetings have taken place to set in motion the building blocks for a political horizon and to maintain a dialogue between Israel and the Palestinian Authority. Israel hopes to work with its moderate counterparts in the region to advance mutual understanding and formulate the framework that will allow Israel and the Palestinians to move forward on a bilateral process. This process, it must be underscored, should be supported by other like-minded moderate States in the region and the international community, but it cannot substitute for direct Israeli-Palestinian dialogue.

"In this vein, General Assembly resolution 62/83 too cannot substitute for direct Israeli-Palestinian dialogue. Moreover, rather than promote a vision that recognizes the rights and responsibilities of both sides, the aforesaid resolution obscures the efforts of the parties to achieve a negotiated outcome. And it is one-sided resolutions like this that jeopardize the efficacy of the United Nations and the efficiency of the General Assembly."

The note verbale dated 30 July 2008 from the Permanent Observer of Palestine to the United Nations reads as follows:

"This year the Palestinian people marked the passage of 60 years since Al-Nakba — the catastrophic tragedy that befell Palestine in 1948, whereby the Palestinian people lost their homeland, the majority of them were forcibly expelled or fled from their homes in fear, and an entire nation became refugees and a stateless people whose plight continues until this day. This year also marked the passage of the forty-first year of the Israeli occupation of the Palestinian Territory, including East Jerusalem, since 1967, under which the Palestinian people continue to suffer the denial and violation of their human rights, including their right to self-determination, and their national rights and aspirations for freedom and peace remain unfulfilled.

"The United Nations has been addressing the question of Palestine in all its aspects since its inception by means of, inter alia, numerous resolutions of its major organs and several programmes of assistance to the Palestinian people, particularly the Palestine refugees, through its specialized agencies. The General Assembly's annual consideration of the agenda item entitled

'Question of Palestine' and its adoption of a resolution on the peaceful settlement of the question of Palestine represents a significant contribution by the United Nations to the search for a just and lasting peace. The resolution is comprehensive and clearly delineates the parameters and requisites for achieving a peaceful settlement in accordance with international law, relevant United Nations resolutions and the agreed terms of reference of the peace process, including the principle of land for peace.

"Regrettably, however, since the Assembly's adoption of resolution 62/83, the situation in the Occupied Palestinian Territory, including East Jerusalem, has remained critical and little progress has been made towards the realization by the Palestinian people of their inalienable rights and the achievement of a peaceful settlement of the question of Palestine. Economic, social, political, humanitarian and security conditions have not improved, continuing to deteriorate in many aspects due to continuing unlawful and oppressive Israeli practices, and the peace process continues to face formidable obstacles. As in the past, Israel, the occupying Power, has continued to violate international law, including by committing systematic human rights violations and war crimes against the Palestinian people, to reject United Nations resolutions, and to act with contempt towards the will of the international community. It has persisted with and at times intensified its illegal actions in the Occupied Palestinian Territory, in breach of its legal obligations, including under the Fourth Geneva Convention, inflicting more collective punishment, suffering and loss on the Palestinian people and creating more unlawful facts on the ground that are further fragmenting the Territory's contiguity and thus seriously threatening the viability of the two-State solution and the prospects for peace.

"This situation has continued despite various efforts and initiatives undertaken during the past year, regionally and internationally, to advance the Middle East peace process and also to ameliorate the situation being faced by the Palestinian people in the Occupied Palestinian Territory and promote conditions actually conducive to the pursuit of peace. In addition to the resolutions adopted by the General Assembly at its sixty-second session, such efforts have included reaffirmation of the Arab Peace Initiative by the twentieth Arab Summit in March 2008, meetings of the Quartet, and the convening, just prior to the adoption of resolution 62/83, of an international conference at Annapolis under the auspices of the Government of the United States of America on 27 November 2007, which resulted in a joint understanding between the Palestinian and Israeli sides and the relaunching of the peace process with the resumption of direct negotiations after a bitter and destructive seven-year freeze.

"The Annapolis conference, along with the convening of a major donor conference in Paris in December 2007, provided an important impetus to the peace process and revived efforts aimed at achieving an end to the Israeli occupation that began in 1967, the establishment of the independent State of Palestine and the achievement of a just, lasting and peaceful settlement to the Israeli-Palestinian conflict. The Annapolis conference set the end of 2008 as the timeline for achieving this long-elusive goal. However, while bilateral negotiations have continued and several high-level meetings have been held between the Israeli and Palestinian leaderships and the Middle East peace

process remains high on the international agenda, progress has been minimal as negative developments on the ground continue to impede the process and complicate the efforts to address the core, final status issues of Jerusalem, settlements, borders, refugees, water and security.

"The reality is that this peace process is in a state of serious disrepair because the entire premise of the process is constantly being undermined by Israel's illegal actions in the Occupied Palestinian Territory, actions that are totally contrary to the principle of land for peace and the objective of achieving a just, lasting and peaceful settlement based on the two-State solution in accordance with international law and relevant United Nations resolutions. In this regard, a review of the current situation in the context of resolution 62/83 reveals that its provisions continue to be violated by the occupying Power, precluding the resolution's full implementation by the international community.

"Since adoption of resolution 62/83, Israel has not ceased its unlawful measures of collective punishment, reprisals and military operations against the Palestinian civilian population, which is a defenceless population entitled to protection under international humanitarian law. In the past several months, the Israeli occupying forces have killed and injured hundreds more Palestinian civilians, including children, in military attacks and raids in the Occupied Palestinian Territory, particularly in the Gaza Strip, continuing to use excessive and indiscriminate force against civilians as well as extrajudicial killings. The occupying forces also continued to cause wanton destruction of Palestinian property, including homes, agricultural lands and orchards, and civilian infrastructure, leading to further displacement of civilians, loss of livelihoods and environmental damage.

"Israel has also persisted with its daily arrest campaigns in the Occupied Territory. More than 11,000 Palestinians, including more than 400 children and more than 100 women, continue to be held in Israeli jails and detention centres, with the majority suffering inhumane conditions, harassment, physical and psychological ill-treatment and many subject to torture.

"At the same time, Israel continues to aggressively pursue its illegal colonization campaign in the Occupied Palestinian Territory, including East Jerusalem, through the unlawful confiscation of land, construction and expansion of settlements, transfer of hundreds of thousands of Israeli settlers and construction of the Wall, which is directly linked to the settlements and intended to protect them and facilitate their expansion and entrenchment, as well as by numerous other illegal measures. This colonization campaign, which constitutes a grave breach of international humanitarian law, particularly the Fourth Geneva Convention, which absolutely prohibits the transfer by the occupying Power of its civilian population into the territory it occupies, actually represents the main obstruction to the peace process. It is a campaign undeniably aimed at creating facts on the ground by altering the demographic composition, status and character of the Occupied Palestinian Territory in order to facilitate the de facto annexation of large areas of land, amounting to a blatant situation of acquisition of territory by force, which is strictly prohibited by international law.

"In the recent period, Israeli settlement activities have intensified, particularly in and around Occupied East Jerusalem and the Jordan Valley. This has been the case despite General Assembly and Security Council resolutions calling for their cessation, for the dismantlement of settlements and settlement 'outposts' and for Israel's compliance with its legal obligations; despite the International Court of Justice's advisory opinion of 9 July 2004; and despite the fact that the freezing of all settlement activity is a cornerstone of the Quartet road map. Combined, the 150 Israeli settlements, more than 100 settlement 'outposts', an extensive labyrinth of Israeli-only bypass roads connecting the settlements to each other and to Israel itself, and the wall that is being constructed in deviation from the 1967 Green Line and projected to be more than twice its length, are occupying huge swaths of Palestinian land, totalling approximately 50 per cent of the occupied West Bank.

"This vast colonial network, along with Israel's imposition of over 600 checkpoints and a stringent, discriminatory permit regime intended to collectively punish the Palestinian people and restrict their movement, has created a situation on the ground whereby Palestinian communities are being separated, with many transformed into walled cantons and some being destroyed in their entirety, causing the further displacement of thousands of Palestinian civilians; East Jerusalem is being isolated from the rest of the Palestinian Territory, which is being dissected into northern, central and southern parts; and economic and social devastation continues to be inflicted on the Palestinian people. The overall result is the severe fragmentation of the Occupied Palestinian Territory and the undermining of its contiguity, integrity and unity.

"Israel's colonization campaign thus constitutes the primary danger to the realization by the Palestinian people of their inalienable and national rights and to the achievement of the two-State solution of an independent State of Palestine living side-by-side with Israel in peace and security and on the basis of the 1967 borders. In this regard, the settlements issue is not only one of the final status issues in the peace process, but is also intricately related to and at the crux of nearly all other final status issues, including Jerusalem, borders, water and security. As such, continuation of this illegitimate situation will make physically impossible the establishment of a sovereign, contiguous, viable and independent Palestinian State, with East Jerusalem as its capital, and the ultimate realization of the two-State solution for peace in accordance with relevant Security Council resolutions, including resolutions 242 (1967), 338 (1973), 1397 (2002) and 1515 (2003).

"The situation in the rest of the Occupied Palestinian Territory, namely the Gaza Strip, also remains extremely critical. Israel's siege of Gaza has surpassed one year and the occupying Power continues to impose a suffocating closure of border crossings, obstructing the movement of persons and goods into and out of the area, in collective punishment of the entire Palestinian civilian population there. The Gaza Strip also remains separated from the West Bank, with no functional territorial link between these two areas of the Territory.

"Consequent declining socio-economic conditions have deepened poverty and hardships as livelihoods and income continue to be lost. Health

conditions have also continued to deteriorate due to inadequate medical and food supplies as well as the breakdown of sewage and sanitation systems because of lack of spare parts and fuel. The ongoing fuel crisis has disrupted all sectors of life — home life, schools, hospitals, businesses, farming and fishing — and also disrupted United Nations operations. Moreover, this deliberately imposed humanitarian crisis is only worsening with the globally rising food and fuel prices affecting the whole international community. The negative short- and long-term repercussions of this crisis on the Palestinian population and institutions, public services and infrastructure are vast, and tensions, insecurity and despair remain high in Gaza, where the majority of the more than 1.4 million Palestinians there live in poverty and depend on food aid for survival.

"One encouraging development in terms of the situation in the Gaza Strip has been the conclusion of a truce agreement following intensive mediation efforts by the Government of Egypt. Despite several infractions, the truce, which took effect on 19 June 2008, continues to be upheld as of the date of this note. The Palestinian leadership continues to appeal for respect of the truce on both sides and to call as well for extension of the truce to the West Bank, emphasizing that the West Bank and the Gaza Strip constitute one geo-political unit — the Occupied Palestinian Territory — and, therefore, Israeli military attacks in either area affect the other negatively. As repeatedly witnessed, violent Israeli actions in the past have undercut attempts to bring about a cessation of violence, sabotaged Palestinian Authority efforts to promote law and order, harmed peace negotiations, and fuelled the deadly cycle of violence. Such an outcome must be averted at all costs.

"The Palestinian Authority thus continues to exert all efforts within its circumscribed capacity to promote law and order, and expresses the hope that Israel will abide by its commitments in this regard and that calm will prevail. In this regard, it is imperative that Israel completely lift its inhumane and unlawful siege of Gaza to allow for movement of persons and goods to ease the isolation and humanitarian suffering of the Palestinian civilian population. The Palestinian Authority reiterates its readiness to assume responsibility for the Palestinian side of Gaza's border crossings in line with the 2005 Agreement on Movement and Access. Israel should be called upon to abide by its commitments and legal obligations in this regard, including in relation to the civilian population in the Gaza Strip under the terms of the Fourth Geneva Convention.

"The inability of the international community to act in the face of such continuous Israeli breaches of international law and United Nations resolutions has undoubtedly abetted the occupying Power's impunity. The international community must not, however, capitulate and should continue to exert serious efforts to redress the unjust, illegal situation in the Occupied Palestinian Territory, for, as recognized by the General Assembly in resolution 62/83, achieving a just, lasting and comprehensive settlement of the question of Palestine, the core of the Arab-Israeli conflict, is imperative for the attainment of comprehensive and lasting peace and stability in the Middle East. The provisions of resolution 62/83 remain valid, as do the countless other United Nations resolutions addressing the core issues of the question of Palestine, and

the principles therein constitute the foundations of the peace process and the keys to resolving this tragic conflict.

"Despite the many challenges before us, the achievement of the two-State solution, the inalienable rights of the Palestinian people, including their right to self-determination, and peace remain our ultimate goals. Palestine is encouraged by the international community's continuing firm support in this regard, as reflected by the overwhelming support for resolution 62/83, and conveys its strong hope for continuation of such support and of the necessary efforts for attainment of these goals. The time now is for practical measures to be taken by the international community to uphold the Charter, international law and these resolutions, thereby ensuring Israel's respect for the law, bringing an end to this unlawful situation constituting the longest military occupation in contemporary history, and achieving a just, lasting peace settlement. In this connection, Palestine reiterates that the United Nations has a permanent responsibility towards the question of Palestine until it is resolved in all its aspects, including a just resolution for the plight of the Palestine refugees in conformity with General Assembly resolution 194 (III), and stresses once again that the Security Council should not be exempt from its Charter responsibilities in this case.

"On its part, Palestine reaffirms the commitment of the Palestinian leadership to the peace process and urges all concerned parties in the international community to seize the opportunities for peace that are still before us and not allow the process and negotiations to continue to be undermined by illegal, unilateral and destructive actions. The complete cessation of all Israeli violations of international law, including Israel's colonization campaign and all other grave breaches, is imperative for salvaging the potential for peace. Active efforts should also be pursued to sustain the Annapolis process, including through confidence-building measures between the two sides to create an environment more conducive to peace negotiations, and to promote as well the Arab Peace Initiative. In addition, the provision of economic, humanitarian and technical assistance to the Palestinian people and the Palestinian Authority at this crucial time remains essential.

"In closing, as resolution 62/83 regrettably remains unimplemented, the General Assembly is duty-bound to continue its efforts with regard to a peaceful settlement of the question of Palestine. The Assembly must continue striving to uphold the law and ensure respect of the law by Israel, the occupying Power. Such action by the international community can tangibly contribute to bringing an end to the 1967 Israeli occupation and enabling the Palestinian people to exercise their inalienable rights in their independent State of Palestine, with East Jerusalem as its capital, thus allowing for the realization of peace, stability and security for the Palestinian and Israeli peoples as well as the Middle East region as a whole."

II. Observations

5. During the reporting period, new hope for the achievement of a peaceful settlement of the question of Palestine emerged, with the launch of the Annapolis

process and regular bilateral negotiations between Israel and the Palestinians. At the same time, the situation on the ground in Israel and the occupied Palestinian territory, including East Jerusalem, remained difficult and hampered political efforts to achieve the vision of two States living side by side in peace and security. In the Gaza Strip, in particular, prolonged violence and a deepening humanitarian crisis prevailed.

6. The Annapolis conference, hosted by the United States on 27 November 2007 with the participation of all major parties, provided a new impetus to the search for a just, lasting and comprehensive settlement of the question of Palestine. Ehud Olmert, the Prime Minister of Israel, and Mahmoud Abbas, President of the Palestinian Authority, presented a joint understanding, agreeing to immediately launch good-faith bilateral negotiations in order to conclude a peace treaty, resolving all outstanding issues, before the end of 2008. The two leaders also committed themselves to implementing their respective obligations under the road map and agreed to form a trilateral mechanism, led by the United States, to follow up on implementation.

7. Bilateral negotiations between Israeli and Palestinian negotiating teams, led by Tzipi Livni, the Minister for Foreign Affairs of Israel, and Ahmed Qureia, the Palestinian Chief Negotiator, have taken place on a regular basis, with confidentiality maintained about the substance of those talks. Technical teams have also met in support of the bilateral talks. Prime Minister Olmert and President Abbas have also continued to meet on a regular basis.

8. I welcome the diplomatic efforts exerted by the parties. I would also like to commend the United States for taking the initiative to convene the Annapolis conference. The international community has come together in support of the bilateral negotiations conducted by Israel and the Palestinians. The Quartet has been reinvigorated, and I was glad to take part in its meetings in New York in September 2007, in Washington, D.C., on 26 November 2007, on the eve of the Annapolis conference, in Paris on 17 December 2007, in London on 2 May 2008 and in Berlin on 24 June 2008.

9. I also welcome and commend the efforts of the League of Arab States and several Arab countries to advance regional efforts for peace in recent months. The League of Arab States, at its annual summit in Damascus on 29 and 30 March, expressed concern over developments on the ground, but reaffirmed the Arab Peace Initiative, which remains a central element in the search for a peaceful settlement of the question of Palestine.

10. The United Nations has remained engaged at a political level. The Secretariat has provided monthly briefings to the Security Council on developments in the Middle East, as well as whenever the situation on the ground demanded that the Council be kept urgently apprised, as was the case several times during the reporting period. I have continued to take part in the meetings of a reinvigorated Quartet, and I now look forward to the meeting of the Quartet I am hosting in New York in the margins of the general debate, in conjunction also with a meeting of the Ad Hoc Liaison Committee and consultations with our Arab partners.

11. Regrettably, violence between Israelis and Palestinians, as well as among Palestinians, continued during the reporting period. Altogether, between

1 September 2007 and 19 August 2008, 35 Israelis, including four children, and 600 Palestinians, including 87 children, lost their lives in conflict-related incidents.

12. Road map implementation saw some arguable progress during the reporting period. I am pleased to note that the Palestinian Authority, under the leadership of Prime Minister Salam Fayyad, has made significant strides towards imposing law and order, including disarming and arresting militants, in the reporting period. Palestinian security forces have redeployed in Jenin and Nablus, including personnel trained and equipped in Jordan with the assistance of the United States Security Coordinator, and Palestinian security operations are also taking place elsewhere in the West Bank. On 24 June 2008, the international community offered support to the further development of the Palestinian security sector and judiciary at the Berlin conference in support of Palestinian civil security and the rule of law, convened by Germany. The Quartet voiced its support for the outcomes of the meeting and called for speedy implementation of projects agreed and robust donor support in order to build the capacity of the Palestinian police and justice sector. The Quartet also urged Israeli-Palestinian cooperation in that respect, and emphasized the importance of unobstructed delivery of security assistance to the Palestinian Authority. In this regard, I am glad to note Israel's facilitation of the reopening of 12 Palestinian police stations in the West Bank in recent months. I regret, however, that Israel Defense Force incursions into West Bank cities and towns have continued on a regular basis.

13. Violence continued to occur in Israel. A suicide bombing took place in the Israeli city of Dimona on 4 February 2008. I condemned this terrorist attack targeting civilians. I also strongly condemned the attack that claimed eight lives at a Jewish seminary in Jerusalem on 6 March 2008. I further condemned the attacks utilizing bulldozers in Jerusalem on 2 and 22 July 2008.

14. I also deplore the continued expansion of settlements in the West Bank by the Government of Israel, which negatively impacts the ongoing bilateral political process. Continued settlement activity in the West Bank, including East Jerusalem, stands in contradiction to international law, Security Council resolutions, the Fourth Geneva Convention, Israel's obligations under the road map and its commitments under the Annapolis process. I have called upon Israel to freeze all settlement activity, including "natural growth", to dismantle all outposts erected since March 2001, and to reopen Palestinian institutions in East Jerusalem, and have emphasized that a halt to settlement expansion is a necessity for the creation of a contiguous and viable Palestinian State.

15. Construction work on the barrier also continued within occupied Palestinian territory, in deviation from the Green Line and contrary to the International Court of Justice advisory opinion of 9 July 2004. I continue to note with concern that the route of the barrier results in the confiscation of Palestinian land and the isolation of Palestinian communities and agricultural areas. In accordance with the provisions of General Assembly resolution ES-10/17, I have continued efforts to establish the United Nations Register of Damage caused by the Construction of the Wall in the Occupied Palestinian Territory, with the constitution and assumption of operations of the Office of the Register of Damage at the United Nations Office at Vienna and the first meeting of the members of its Board.

16. On 17 December 2007, a significant donor meeting was held in Paris in support of the Annapolis process and with the aim of securing financial support for

the Palestinian Authority over the next three years. Donors commended the Palestinian Reform and Development Plan presented by Prime Minister Fayyad and pledged $7.7 billion in assistance. Two new financing mechanisms were launched in 2008 to support the implementation of the Plan, namely the World Bank trust fund and the European Commission's Palestinian European Aid Mechanism.

17. The Government of Prime Minister Fayyad also undertook significant measures of economic and fiscal reform, successfully containing the Palestinian Authority's wage bill and reactivating the budget process. On 2 May, the Ad Hoc Liaison Committee met in London to assess progress in Palestinian institutional and economic development since its previous meeting in September 2007. The donor community responded to Palestinian reform efforts and generously supported the Palestinian Authority with over $1.1 billion in budget support from the beginning of 2008 until August. However, the Authority still faced renewed budgetary shortfalls. I have called upon those donors who have not yet fulfilled their pledges from the Paris donor conference to provide budget support to fill a gap of $400 million for the period from August to December 2008.

18. From 21 to 23 May 2008, the Palestine investment conference convened by Prime Minister Fayyad took place in Bethlehem. Hundreds of foreign representatives and Palestinian businesses, including from Gaza, attended. Prime Minister Fayyad announced that investors pledged $1.4 billion for Palestinian business projects. Earlier the same month, on 13 May, Tony Blair, the Quartet Representative, had announced a package of measures to stimulate economic development, ease movement and access restrictions, develop the 60 per cent of the West Bank in Area C and build Palestinian security capability. Quartet Representative Blair continues to follow up on his plan.

19. Unfortunately, the Government of Israel did not significantly relax the closure regime in the West Bank. The Office for the Coordination of Humanitarian Affairs reported that the number of Israeli-imposed obstacles to Palestinian movement in the West Bank grew from 532 in August 2007 to 608 as of 18 August 2008, with negative political and economic implications.

20. Palestinian economic growth was flat and the economy continued to hollow out. This put the Palestinian Authority on the path of increasing aid dependency. While the economy stagnates and the population grows, per capita income continues to fall. The International Monetary Fund estimated that real gross domestic product growth in 2007 was only about 0.5 per cent. Results from the first quarter of 2008 suggest that growth was slightly negative. Unemployment remained high in the West Bank and Gaza.

21. Following the takeover of the Gaza Strip by Hamas in June 2007, the launching of rockets and mortars from Gaza against Israeli civilian targets intensified. I condemn the indiscriminate rocket and mortar firing from the Gaza Strip towards Israeli civilian population centres and against crossing points, which is totally unacceptable and has detrimental effects on humanitarian conditions.

22. The Government of Israel declared the Gaza Strip an enemy entity on 19 September 2007 and imposed a stringent closure regime, halting all exports from Gaza and severely restricting imports, including electricity and fuel. I called upon Israel to reconsider and cease its policy of pressuring the civilian population of Gaza for the unacceptable actions of Hamas and other militants.

23. In response to the rocket fire against Israeli civilian targets, Israel launched military incursions into the Gaza Strip and targeted militants with air strikes, often causing civilian casualties. I called for the strict observance of international humanitarian law by Israel and its armed forces. While cognizant of Israel's security concerns and of its assertion that in using military force it does not target civilians and takes care to avoid civilian casualties, I emphasized that Israel is obliged not to take disproportionate measures or to endanger civilians, and must thoroughly investigate incidents leading to civilian casualties and ensure adequate accountability.

24. Following several Israeli military incursions and heavy fighting in Gaza during the month of January, as well as the imposition of a four-day comprehensive closure on 23 January, Palestinian militants destroyed entire sections of the border fence with Egypt. Hundreds of thousands of Gazans crossed the border and purchased food, medicine and other supplies. The border was resealed six days later.

25. In February 2008, after the firing of rockets and mortar on Israel included the launch, for the first time, of longer-range rockets against Ashkelon, the situation escalated again. The Israel Defense Force operation named Hot Winter, beginning on 29 February, lasted five days and caused dozens of civilian casualties, including the deaths of 31 children, while Hamas rocket attacks, with increased capability, threatened nearly a quarter of a million Israelis. In subsequent months, rocket and mortar fire continued, and a number of attacks also targeted crossings between Israel and Gaza.

26. The violence, as well as the humanitarian distress the civilian population of the Gaza Strip endured as a result of Israel's closure policy, convinced me that a new and more constructive strategy on Gaza was required. I called for such an approach, emphasizing, in particular, the need to end the violence and reopen the Gaza crossings in a sustained manner. The Quartet endorsed my call in its meeting in London on 2 May, strongly encouraging Israel, the Palestinian Authority and Egypt to work together to formulate a new approach on Gaza that would provide security to all Gazans, end all acts of terror, provide for the controlled and sustained opening of the Gaza crossings for humanitarian reasons and commercial flows, support the legitimate Palestinian Authority Government and work towards conditions that would permit implementation of the 2005 Agreement on Movement and Access.

27. Egyptian efforts led to the agreement of a ceasefire between Israel and Hamas, which entered into effect on 19 June and has largely held since. I welcomed the ceasefire. Building on the ceasefire, Egypt has continued its efforts to reach an agreement to exchange the captured Israeli soldier, Gilad Shalit, for a number of Palestinian prisoners currently held by Israel. I repeatedly expressed my dismay at the fact that the International Committee of the Red Cross was not provided with access to Corporal Shalit, in contravention of international humanitarian law, after more than two years of captivity.

28. The situation in the Gaza Strip during the reporting period was characterized by prolonged humanitarian crisis. The Gaza crossings remained largely closed, except for imports to meet minimal humanitarian needs. Israel also instituted restrictions on the supply of fuel, with broad socio-economic effects, including extensive electricity cuts. While humanitarian assistance continued to enter Gaza, most of Gaza's industrial capacity was suspended and more than 70,000 workers were laid off. About 76 per cent of the population in Gaza became reliant on

assistance from the United Nations. United Nations agencies were also severely affected and had to prioritize projects. Following the entering into effect of the ceasefire between Israel and Hamas, there has been some improvement in humanitarian conditions.

29. Gaza also witnessed the consolidation of Hamas's rule, with institutions increasingly falling under the direct control of Hamas. Factional violence occurred, and in November 2007, internecine fighting left 18 people dead. Renewed bloody clashes between Hamas and Fatah loyalists left 11 Palestinians dead in August 2008, and nearly 200 Palestinians sought refuge in Israel before being returned to Gaza or transferred to West Bank cities. Overall, between 1 September 2007 and 19 August 2008, 136 Palestinians were killed in internal violence.

30. I would stress that the Palestinian Authority remains the sole legitimate authority and that Gaza and the West Bank comprise one single Palestinian territory. Dialogue for the purpose of making progress towards the reunification of Gaza and the West Bank within the framework of the legitimate Palestinian Authority is vital to sustain the efforts to revitalize the peace process. Accordingly, I welcomed President Abbas's statement of 5 June 2008, during which he called for the holding of a comprehensive national dialogue in order to implement the initiative on Palestinian reunification taken by the President of Yemen and endorsed by the Foreign Minister of the League of Arab States in March 2008.

31. In Israel, the Government also faced difficulties throughout the reporting period. Prime Minister Olmert's resignation on 21 September 2008 opened up the prospect of the new head of the *Kadima* party, Foreign Minister Livni, taking over the premiership and forming a new Government, or of new elections, with possible effects on the peace talks.

32. I regret that Palestinian and international United Nations staff members have faced growing restrictions as concerns their free movement and access in the service of the United Nations. I have discussed these restrictions with the Government of Israel and look forward to improvements in this regard. In Gaza, the United Nations Relief and Works Agency (UNRWA) and other United Nations agencies face significant challenges to their operations. The security and humanitarian situation in the Gaza Strip has made their work both more important and more difficult.

33. In this challenging context, I want to praise the courage and dedication of the United Nations personnel serving in the Occupied Palestinian Territory. I wish to express my deep appreciation to Robert H. Serry, the Special Coordinator for the Middle East Peace Process and my Personal Representative to the Palestinian Liberation Organization and the Palestinian Authority, to the staff of his Office, as well as to the Commissioner-General of UNRWA, Karen Koning AbuZayd, and the staff of the Agency and all other United Nations agencies, funds and programmes, who continue to provide indispensable and remarkable service in the Occupied Palestinian Territory.

34. Over the past year, there have been important steps towards a peaceful settlement of the question of Palestine, and I call upon the Government of Israel and the Palestinian Authority to undertake every effort to achieve the goal of the Annapolis process. Time is now running short until we reach the benchmark of the Annapolis process, and there reportedly remain significant gaps. Should the parties not be able to reach a peace agreement by the end of the year, it will be essential

that the process not be disrupted and instead continues, with the aim of leading to the long overdue peaceful settlement of the question of Palestine as early as possible.

35. The situation on the ground, both in Gaza and in the West Bank, including East Jerusalem, has deteriorated in many instances. Much more needs to be done to build the necessary foundations for a successful political process and for the eventual and sustainable implementation of any agreement reached. Settlement activity needs to stop completely, and movement and access restrictions need to be lifted. The Palestinian Authority needs to make further progress to impose law and order.

36. The question of Gaza remains critical. I am glad that the ceasefire in effect since June 2008 has held so far. At the same time, I am acutely conscious that the ceasefire is by definition a temporary arrangement that needs to lead to further steps: a reopening of the Gaza crossings, the release of Corporal Gilad Shalit, and dialogue for the purpose of the reunification of the West Bank and Gaza Strip within the framework of the legitimate Palestinian Authority.

37. The United Nations will continue to work towards the creation of an independent, democratic, contiguous and viable Palestinian State living side-by-side in peace with a secure Israel, in the framework of a comprehensive regional settlement, consistent with Security Council resolutions 242 (1967), 338 (1973), 1397 (2002) and 1515 (2003), and in accordance with the road map, the Arab Peace Initiative and the principle of land for peace.